



MARYLAND

Prescription Drug Affordability Board

16900 Science Drive
Suites 112-114
Bowie, MD 20715
pdab.maryland.gov

Prescription Drug Affordability Fund Frequently Asked Questions

Why am I Receiving this Invoice?

In 2021, the Maryland General Assembly passed a law creating the Prescription Drug Affordability Fund and directing the Maryland Prescription Drug Affordability Board to assess manufacturers, distributors, carriers and pharmacy benefits managers. Md. Code Ann., Health-General § 21-2C-11. By regulation, COMAR 14.01.02, the assessment is \$1,000 per year.

What is the Maryland Prescription Drug Affordability Board?

The Board was created by legislation passed in 2019. It is charged with protecting State residents, State and local governments, commercial health plans, health care providers, pharmacies licensed in the State, and other stakeholders within the health care system from the high costs of prescription drug products. The work of the Board is funded through the Prescription Drug Affordability Fund.

What is the Prescription Drug Affordability Fund?

The Prescription Drug Affordability Fund is a special, non-lapsing fund administered by the Board to provide funding for its work. It is composed of revenue collected from this assessment, money appropriated in the State budget for the Fund, interest earnings, and any other money accepted for the benefit of the Fund.

Why was I selected to pay the assessment?

Carriers and pharmacy benefit managers registered with the Maryland Insurance Administration, and manufacturers of human drugs and wholesalers registered with the Maryland Board of Pharmacy are subject to assessment.

How do I pay the fee assessment?

Please send a check with a copy of the invoice to:

Prescription Drug Affordability Board
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made payable to the Maryland Prescription Drug Affordability Board. Please reference the invoice number and indicate the purpose of the payment as FY 2022 PDAB Fund on your check.

PLEASE NOTE- PAYMENTS ARE NOT TO BE SUBMITTED OR PAID VIA ACH, AS THE PRESCRIPTION DRUG AFFORDABILITY BOARD DOES NOT HAVE AN ACCOUNT ESTABLISHED TO RECEIVE ACH PAYMENTS.

When is the payment for the fee assessment due?

Payment for the Prescription Drug Affordability Fund fee assessment is due by October 1 of every year, starting October 1, 2021. You should receive your invoices late summer/early fall every year.

Is there a penalty if I don't pay the fee assessment by the October 1 deadline?

Any bill not paid within 30 days of the payment due date may be subject to an interest penalty to be determined and collected by the Board. Additionally, the Board may also refer an entity's delinquent account to the Department of Budget and Management's Central Collection Unit, pursuant to the procedures in State Finance and Procurement Article, Title 3, Subtitle 3, Annotated Code of Maryland, and COMAR 17.01.01.

However, as this is the first year of this program, we plan to work closely with you to successfully pay the assessment and address any concerns. We do not foresee assessing any late fees outside of extreme circumstances where there are intentional efforts to not pay the fee without a good faith basis.

I don't do much business in Maryland. Can I get a waiver from this fee assessment?

If the fee assessment exceeds 1% of your revenue earned in Maryland during your preceding fiscal year, you can request that the Board waive your fee assessment. To request this waiver, complete the Request for Waiver form, and submit it with the required supporting materials, such as your corresponding Maryland tax form.

What if I think I am not subject to the fee?

If you believe that you have been incorrectly assessed the Prescription Drug Affordability Fund fee, please complete and submit the Request for Exemption form setting forth the basis of the exemption and why you believe you are exempt from the assessment (e.g., you only manufacture animal products, you no longer do business in Maryland).

How do I submit a Request for Waiver or Request for Exemption?

Please submit your request by e-mail to support.pdab@maryland.gov or by mail to:

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